(c) the steps taken to project the interest of the small and medium investors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Prince fluctuations on stock markets are influenced by multiple factors, which include expectations of investors regarding the performance of the corporate sector and the economy in general, about economic policies of the Government, developments in international capital markets etc. In the recent past the stock markets have experienced increased volatility partly due to the global influence of stock markets and partly due to the change in perception about performance of certain sectors like Information Technology, Media and Telecom.

(c) The objective of the Government and the market regulator is to ensure' that capital markets operate in an orderly, transparent, safe and fair manner. To ensure this, SEBI has put in place several surveillance and risk containment meausre such as capital adequancy, margins and exposure controls. SEBI has been interacting with the stock exchanges regualry. The exchanges have informed SEBI of the various actions initiated by them including imposition of higher margins and curbing of excessive concentration by brockers. SEBI has also cautioned investors by way of press releases to exercise caution while transacting in securities.

Japanese assistance for Intensive Agriculture Development Project

4643. SHRI DIPANKAR MUKHERJEE: Will the Minister of FINANCE be pleased to state:

(a) whether a project proposal titled "Intensive Agriculture Development Project" by Hindustan Fertilizers Corporation (HFC) was forwarded to Ministry of Finance in May' 98 for posing under Japanese Grant Assistance; and

(b) if so, the action taken on the same and steps intiated to expedite the grant?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) Japanese have given indications that they might consider new project proposals .for general grant aid in the year 2001-2002.

Accordingly, the proposal of HFC has been posed to them on 5.1.2000.

Decrease in Saving Rates

†4644. SHRI RAJ MOHINDER SINGH:

SHRI KAPIL SIBAL:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that saving rate is decreasing constrantly in the country during the last few years;

(b) if so, the assessment with regard to saving rate during 1997-98, 1998-99 and 1999-2000;

(c) whether Government have ascertained the reasons with regard to this decrease in saving rate; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (d) As per the latest available data with Central Statistical Organisation, saving rate measured in terms of gross domestic savings as a proportion of gross domestic product at current market prices was 23.3 per cent in 1996-97, 24.7 per cent in 1997-98 and 22.3 per cent in 1998-99 (Quick Estimates). The decline in the saving rate in 1998-99 is attributed to a decline in the saving rate of both the public sector and the private sector. Saving rate for the public sector measured in terms of gross public sector savings as a proportion of GDP at current market prices declined from 1.7 per cent in 1996-97 to 1.4. per cent in 1997-98 and fell to negligible levels (0.03 per cent) in 1998-99. Savings rate for the private sector (comprising household and private corporate sector) measured in terms of gross private sector savings as a proporation of GDP at current prices increased from 21.6 per cent in 1996-97 to 23.3 per cent in 1997-98 and declined to 22.3 per cent in 1998-99.

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† Original notice of the Question was received in Hindi.